MR. CHAIRMAN : The question is—

" That the Madras Motor Vehicles (Taxation of Passengers and Goods) Amendment Bill, 1962 (L.A. Bill No 13 of 1962), as passed by the Assembly, be passed."

The motion was put and carried and the Bill was passed.

V.—MOTION UNDER RULE 21 (3) OF THE MADRAS LEGISLATIVE COUNCIL RULES.

THE HON. SRI R. VENKATARAMAN : Sir, with your permission, I move—

" That under rule 21 (3) of the Madras Legislative Council Rules, items (6) and (7), namely, the Madras Agricultural Income-tax (Amendment) Bill, 1962 (L.A. Bill No. 7 of 1962) and the Madras Stamp (Increase of Duties) Bill, 1962 (L.A. Bill No. 8 of 1962) be taken up before item (3), namely, the Madras General Sales Tax (Amendment) Bill, 1962 (L.A. Bill No. 6 of 1962).

Sir, the motion is made to suit the convenience of my Colleague, the Minister for Works and also the convenience of some of the Members who said that they wanted time to study the Electricity (Taxation on Consumption) Bill. I request that the motion may be accepted.

MR. CHAIRMAN : The question is—

" That under rule 21 (3) of the Madras Legislative Council Rules, items (6) and (7), namely, the Madras Agricultural Income-tax (Amendment) Bill, 1962, (L.A. Bill No. 7 of 1962) and the Madras Stamp (Increase of Duties) Bill, 1962, (L.A. Bill No. 8 of 1962) be taken up before item (3), namely, the Madras General Sales Tax (Amendment) Bill, 1962, (L.A. Bill No. 6 of 1962)."

The motion was put and carried.

IV.—GOVERNMENT BILLS—*cont.*

(3) THE MADRAS AGRICULTURAL INCOME-TAX (AMENDMENT) BILL, 1962 (L.A. BILL NO. 7 OF 1962).

THE HON. SRI V. RAMAIAH : Mr. Chairman, Sir, I move—

" That the Madras Agricultural Income-tax (Amendment) Bill [a], 1962 (L.A. Bill No. 7 of 1962), as passed by the Assembly, be taken into consideration."

In the Madras Plantations Agricultural Income-tax (Amendment) Act, 1958 (Madras Act XXIX of 1958), a special provision was made to collect tax for the assessment year 1958–59 applying the composition formula. The above provision was extended for the assessment years 1959–60, 1960–61 and 1961–62 to enable the assessees who would not have maintained proper accounts for the accounting years 1958–59, 1959–60 and 1960–61 to apply for composition.

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a Printed as Appendix VI on pages 558–559.

31st July 1962] [Sri V. Ramaiah]

While extending the Madras Agricultural Income-tax Act, 1955 (Madras Act V of 1955) to the territories transferred to the State of Madras by the Andhra Pradesh and Madras (Alteration of Boundaries) Act, 1959 (Central Act 56 of 1959), provision was made in section 14 of the Madras Agricultural Income-tax (Extension to Added Territory) Act, 1961 (Madras Act 11 of 1961), to collect tax for the assessment year 1961–62 applying the composition formula. As it is considered that the assessees would not have maintained proper accounts for the accounting year 1961–62 also, it has been decided to extend the benefit of section 34 of the Madras Plantations Agricultural Income-tax (Amendment) Act, 1958, and of section 14 of the Madras Agricultural Income-tax (Extension to Added Territory) Act, 1961, in respect of the assessment year 1962–63 also by suitably amending the said sections.

The Bill accordingly provides for the application of composition formula for the assessment year 1962–63. I request the House to accept the motion.

MR CHAIRMAN : Motion moved—

"That the Madras Agricultural Income-tax (Amendment) Bill, 1962 (L.A. Bill No. 7 of 1962), as passed by the Assembly, be taken into consideration."

SRI K. BALASUBRAMANYA AYYAR : Sir, I have nothing to say against the extension of the Bill. But the reason given is that the assessees would not have maintained proper accounts. That will continue for some time more also. Therefore, why should we not extend this Act for a number of years instead of doing it for every year unless the Government want to increase the tax for other purposes? I think many of the agriculturists will prefer the composition for a number of years. Therefore, Government may consider the possibility of having this Act on the Statute-Book itself. So far as the scheme of the Act is concerned, I have no objection.

THE HON. SRI V. RAMAIAH : Sir, progress regarding the Ceiling Act is taking place and after the implementation of the particular Act, when we delimit the 30 standard acres, I think this Act will have to be reconsidered. Even if I extend this at one stretch for five, six or ten years, it may not be enforced when that particular Act is implemented. Now we are extending it just for one year. We will watch the progress and, if necessary, Government would come again for further extension. We want to help the agriculturists. We want to give them the least trouble. I do not see any reason now to extend it at a stretch for five or six years.

MR. CHAIRMAN : The question is—

"That the Madras Agricultural Income-tax (Amendment) Bill, 1962 (L.A. Bill No. 7 of 1962), as passed by the Assembly, be taken into consideration."

The motion was put and carried and the Bill was taken into consideration.

Clauses 2 and 3 were put and carried.

Clause 1 and the Preamble were put and carried.

THE HON. SRI V. RAMAIAH : Sir, I move—

"That the Madras Agricultural Income-tax (Amendment) Bill, 1962 (L.A. Bill No. 7 of 1962), as passed by the Assembly, be passed."

MR. CHAIRMAN : The question is—

"That the Madras Agricultural Income-tax (Amendment) Bill, 1962 (L.A. Bill No. 7 of 1962), as passed by the Assembly, be passed."

The motion was put and carried and the Bill was passed.

(4) THE MADRAS STAMP (INCREASE OF DUTIES) BILL, 1962 (L.A. BILL NO. 8 OF 1962).

THE HON. SRI V. RAMAIAH : Mr. Chairman, Sir, I move—

"That the Madras Stamp (Increase of Duties) Bill*, 1962
12-00 noon. (L.A. Bill No. 8 of 1962), as passed by the Assembly, be taken into consideration."

The rates of stamp duty leviable under the Indian Stamp Act, 1889, were revised in 1943. In the case of certain instruments, they were doubled then and in the case of others they were raised by fifty per cent. Since then, the rates of stamp duty have not been altered. The conditions have changed since 1943 warranting revision of rates of stamp duty. Also, there is the urgent necessity to augment the resources of this State for financing the projects included in the Third Five-Year Plan. It is accordingly proposed to increase the rates of stamp duty by 50 per cent in respect of the instruments in respect of which the State Legislature is competent to levy stamp duty excepting Articles 11 and 30 of Schedule I of the Stamp Act. Chapter III of the Advocates Act, 1961, having been brought into force on 1st December 1961, the enrolment of Advocates which was hitherto being done by the High Court has been taken over by the State Bar Council from that date. Consequently, Article 30 relating to levy of stamp duty on application for enrolment as advocates or attorneys by the High Court under the provisions of the Indian Bar Councils Act, 1926, has ceased to have effect. There is also no need to retain Article 11, as, after the commencement of the Advocates Act, there is provision for enrolment of only one class of legal practitioners, namely, Advocates. The question of omitting these Articles from Schedule I of the Stamp Act has been taken up separately. The increase in rates is expected to yield an additional sum of Rs. 1 crore per annum.

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* Printed as Appendix VII on pages 559-562